

Remarks/Arguments

With reference to the Office Action of December 4, 2007 Applicants offer the following remarks.

Applicants' Claimed Invention

Applicant's invention is a reconciliation subsystem for use with a system for recording, analyzing, verifying, and reporting of flowing product used, sold, or transferred from multiple locations at various prices or costs to different customers in a business or in commerce, and generating consolidated billing notices. "Flowing" is used in the sense of continuous media as "telecommunications bandwidth, electricity, fuels, chemicals,"¹ The reconciliation starts by logging the session start time and retrieving the last session start time, and retrieving the logs from the feeder and the interim control points. If there is an error at this point, the appropriate notification is issued, the session status is logged, and the reconciliation process ended. If there is no error, the records are compared, checked for unreconciled records, and the report prepared and published. Session status is logged, and the reconciliation process is ended.

Applicant's method and system is particularly useful for "continuous" systems the many product demands and associated accounting data feeds, all coming in at random times. Examples are enumerated in paragraph [0034], "Identification of the target billing system is essential. This is especially true where the billing system has more than one component or more than one target billing system. This is especially the case with electric power where one transmission system or one local distribution system serves a plurality of generation

¹ Paragraph [0001], where the commodities are continua down to the microscopic level.

companies, for example, with different billing structures. This is also the case for the products and byproducts of a modern, integrated petroleum refinery, where a range of products from heavy hydrocarbons (asphalt, tar) through liquid products (as gasoline, diesel fuel, kerosene) to gaseous hydrocarbons (methane, ethane) are either transferred internally (with an associated inter-divisional transfer cost), or sold, for specific industrial or commercial segments.”²

This is to be compared and contrasted with the primary reference, Metzger, U.S. Published Patent Application 2004/0186760, which is for “batch” processes of individual, discrete sales of individual, discrete units of merchandise, such as food and beverages during an airplane flight, with pre-flight and post-flight physical inventories (which has the effect of “resetting” the database to a base level) as described in numbered paragraphs [0030] and [0031], i.e.,

[0030] The devices and catering inventory are delivered to the corresponding flight (i.e., boarded). One or more flight attendants may again perform an onboard preflight physical inventory of the received catering inventory. The devices 222 may be updated with data from the onboard preflight inventory. In this way, the onboard flight crew may determine if the count of items is consistent with the caterer's count. If the counts do not reconcile, this may provide an indication to the caterer and/or airline that items are being miscounted by the origination catering staff, stolen by delivery personnel, ground crew, or the like. In flight, the flight attendants complete sales transactions with consumers (i.e., passengers) with the one or more devices 222 in step 220. The flight attendants provide passengers with inflight service, in which they may sell items from the catering inventory (e.g., food and beverages) as well as other items such as headsets and other items including goods and services that the consumers may receive at the end of the flight (e.g.,

² See also paragraph [0004] “Consider a more complex system, residential electrical service may be delivered through “multiple meters.” One meter is for “base line” service at, for example \$0.11 per kilowatt hour for the first 600 kilowatt hours, and an increasing amount for each additional 200 kilowatt hours. Another meter is for “interruptible” power at \$0.09 per kilowatt hours. A third meter may be for “time shifted” power at a high rate during daytime hours and a reduced rate for evening and night time use. Finally, there may be a “backwards” meter for “selling back” cogenerated power. Consumption of the different classes of service is sent to a billing system where it is applied against the customer's plan and billed to the customer” where electricity is a continuum down to the level of electrons.

dutyfree items, admission to attractions at the flight's destination location, etc.) The sales transactions may be completed with the devices 222 by accepting cash, credit card, debit card, smart card, coupons, frequent flier awards, comps (i.e., complimentary items given to passengers at the flight attendant's discretion), or other known form of payment. The devices 222 account for the sales transactions including the quantities of items sold and payments. The flight attendants may swipe a card, such as a credit card, for example, as payment, capture an authorization signature, and print a receipt. Additionally, the devices 222 may allow the attendants to accept returned items and account for return of cash or crediting of a swiped card. Moreover, the devices 222 allow attendants to perform inflight and/onboard reporting such as, for example, account for change due to passengers, sales totals, flight attendant itemized sales transactions, among other things. The one or more devices 222 may communicate with each other inflight via various communication means such as infrared, wireless, etc., to maintain, for example a master inventory of onboard items. It is contemplated that the devices 222 may include input devices such as optical (i.e., barcode) or RFID scanners, and if the flight is equipped with a suitable communication means to the Internet, the devices 222 may be operative to communicate with the portal in real time to authorize and settle noncash sales transactions, among other things such as realtime inventory or sales reporting.

[0031] At the end of the flight, the devices 222 and catering inventory are unloaded (i.e., deplaned) and delivered to the destination caterer. The destination caterer may be the same as the origination caterer, since, often, a flight caterer is an organization with a plurality of geographically distributed flight kitchens. Alternatively, the destination caterer may be different from the origination caterer and have a relationship or reciprocal agreement with the origination caterer. In step 230, the destination caterer links the received devices 222 to the portal by way of a destination user interface, such that the inflight sales transaction and inventory information may be communicated to the portal and recorded to the database flight record. Similar to the preflight, originating caterer activities, the destination caterer may perform a postflight inventory of the catering inventory items in step 240. The destination caterer accesses the portal and selects the appropriate flight for updating the database record for that selected flight, and enters the postflight inventory data. The destination caterer may then return the devices 222 to the originating caterer, or alternatively, configure the devices for a return flight to the originating caterer or other selected flight.

Status of the Claims.

Claims 1-30 were originally presented for Examination.

Claims 1-30 were rejected in the Office Action of December 4, 2007. Claims 1-30 were rejected under 35 USC 102(e) as being unpatentable over Metzger, U.S. Published Patent Application 2004/0186760 (specifically applied to claims 1, 2, 3, 4, 7-9³, 10, 11, 12, 13, 14, 17-19, 20, 21, 22, 23, 24, 27-29, and 30). Claims 5, 6, 15, 16, 25, and 26 were rejected as being unpatentable over Metzger, above, in view of Tandon, U.S. Published Patent Application 2005/0177470.

Applicants have amended their claims to particularly point out and describe their invention, and distinguish over the art of record. Specifically, applicant has added the claim limitations

1. Characterizing the commodity delivered as a flowing continuum.
2. Adding limitations not disclosed by Metzger⁴ but said to be taught by Tandon.

³ Metzger's teaching of an in-flight catering records system was applied to claims 7-9, 17-19, and 27-29 where "the resources comprises kilowatt hours, telephone connect time, liquids and gases chosen from the group consisting of fuels, chemical feedstocks and water" with the statement that "the in flight inventory could include some of these items," and that "the Examiner notes that the prior art can be applied to power supplies, telecommunications services as well."

4

- a. collecting and recording flowing resource consumption at flowing resource consumption sites;
- b. reconciling records of flowing resource consumption between the flowing resource consumption sites and the target site by
 - i. retrieving records from the resource consumption feeder and interim control points;
 - ii. comparing at least one of:
 - (a). resource consumption totals in the records from the resource consumption feeders with the resource consumption totals in the aggregated records at the target site; and
 - (b). total number of resource consumption records forwarded from the resource consumption feeders with the total number of resource consumption records aggregated at the target site;
 - iii. issuing a notification, if an error is discovered; and
- iv. if no errors are detected continuing comparing records until all records are reconciled;

Applicants have canceled claims 5, 15, and 25, and placed the limitations thereof in claims 1, 11, and 21 respectively.

Exemplary Claim

Claims 1, 11, and 21 have been amended to include all of the limitations of claims 5, 15, and 25. Claim 1 as amended, is shown below:

1. (Currently amended) A method of reconciling records of resource consumption at a plurality of flowing resource consumption sites for incorporation into aggregate business records of the flowing resource consumption at a target site, comprising the steps of:
 - a. collecting and recording flowing resource consumption at flowing resource consumption sites;
 - b. reconciling records of flowing resource consumption between the resource consumption sites and the target site by
 - i. retrieving records from the resource consumption feeder and interim control points;
 - ii. comparing at least one of:
 - (a). resource consumption totals in the records from the resource consumption feeders with the resource consumption totals in the aggregated records at the target site; and
 - (b). total number of resource consumption records forwarded from the resource consumption feeders with the total number of resource consumption records aggregated at the target site;
 - iii. issuing a notification, if an error is discovered; and
 - iv. if no errors are detected continuing comparing records until all records are reconciled; and
 - c. aggregating the records of flowing resource consumption into aggregate business records of the flowing resource consumption at the target site.

Art of Record

The primary reference, United States Patent Application 20040186760/ of Metzger for System And Method For Sales And Inventory Reconciliation, describes systems and methods for transacting credit card payments, and reconciling inventory and cash transactions on moving vehicles. Metzger describes a preferred embodiment for inflight sales to aircraft passengers. Metzger's system employs a portable device for completing remote point of sale (POS) transactions, e.g. a personal digital assistant (PDA) associated with an Internet portal in communication with a database. Metzger discloses that the database is useful for entering and storing presale and postsale transaction and inventory information, which may be used for reconciliation purposes.

The secondary reference, United States Patent Application 2005/0177470 of Tandon, Anju et al. for Global Account Reconciliation Tool describes a global reconciliation software tool. This tool is provided to standardize reconciliation processes across various lines of business. The reconciliation tool provides standard templates for entering transaction and account data. By this expedient, open accounting items are more readily identified and reconciled. The software tool includes a plurality of components allowing for greater scalability and operability across various computer systems and accounting programs.

Art Rejections

Claims 1-30 were rejected under 35 USC 102(e) as being unpatentable over Metzger, U.S. Published Patent Application 2004/0186760 (specifically applied to claims 1, 2, 3, 4, 7-9⁵, 10, 11, 12, 13, 14, 17-19, 20, 21, 22, 23, 24, 27-29, and 30). Claims 5, 6, 15, 16, 25, and 26 were rejected as being unpatentable over Metzger, above, in view of Tandon, U.S. Published Patent Application 2005/0177470.

⁵ Metzger's teaching of an in-flight catering records system was applied to claims 7-9, 17-19, and 27-29 where "the resources comprises kilowatt hours, telephone connect time, liquids and gases chosen from the group consisting of fuels, chemical feedstocks and water" with the statement that "the in flight inventory could include some of these items," and that "the Examiner notes that the prior art can be applied to power supplies, telecommunications services as well."

In paragraph 11 of the Office Action it is stated that

“Metzger does not teach c. issuing a notification, if an error is discovered; and d. continuing comparing records until all records are reconciled if no errors are detected.”

It is then stated in paragraph 12 that “Tandon et al. teach c. issuing a notification, if an error is discovered; and d. continuing comparing records until all records are reconciled if no errors are detected. (Citing Fig 3 and Paragraph [0037])

It is next stated that Metzger does not teach “a. logging the reconciliation session start time, b. retrieving the last session start time; and e. issuing a notification, logging session status and ending the reconciliation if an error is discovered; and f. continuing comparing records, issuing a report, and logging session status if no errors are detected until all records are reconciled.” It is said that these steps are taught by paragraphs [0033], [0034]. [0037]⁶, and [0044]⁷.

Discussion

⁶ [0037] An capture review component 208 may be provided to review transaction data captured from various remote terminals 110 and to immediately identify any errors therein. Such errors may include unreconcilable transaction amounts or the like. Errors may thus be immediately reported to appropriate remote terminals 110 to avoid later reconciliation errors. This component 208 may be provided with various functions for capturing financial data transmitted by various remote terminals 110. This component 208 offers flexibility to accommodate capture of data from standardized templates and also facilitates customized templates for different types of files. This component 208 also facilitates scheduling capture activities using templates, including the sequencing of capture, as well as capturing data manually.

⁷ [0044] The process 300 includes transmitting a plurality of standardized templates and tools for generating customized templates to remote terminals 110 (step 304). The remote terminals 110, in turn, transmit financial transaction data for one or more accounts back to the accounting server 104 (step 302). The financial data received (either on a scheduled basis, or upon each transaction, or by manual implementation) from the remote terminals 110 is reconciled with stored master financial data (step 306). Any un reconciled amounts are identified (step 308) and are reported in a desired output format (step 310). Un reconciled transactions may then be researched and or written off and corporate balance sheets and other accounting reports may be automatically updated (step 312). The process 300 may be repeated in various sessions on a recurring basis with a variety of remote terminals 100 during the continuing operation of a business entity.

All of the independent claims have been amended to include the limitations of claims 5, 15, and 25 respectively, and to characterize the subject matter of the reconciled records as flowable (that is continua).

In this context, Metzger et al teaches:

1. An initial, physical inventory of granular items of commerce available for sale.
2. Keeping a record of in-flight sales transactions
3. A final, physical inventory unsold granular items of commerce available for sale.

This is not an inventorying of or accounting for flowable continua.

As conceded in the Office Action, Metzger In paragraph 11 of the Office Action it is stated that “Metzger does not teach c. issuing a notification, if an error is discovered; and d. continuing comparing records until all records are reconciled if no errors are detected.”

It is then stated in paragraph 12 that “Tandon et al. teach c. issuing a notification, if an error is discovered; and d. continuing comparing records until all records are reconciled if no errors are detected. (Citing Fig 3 and Paragraph [0037])

(Figure 3 shows reconciliation of financial transactions and financial documents, and not inventory transfers or documents)

It is next stated that Metzger does not teach “a. logging the reconciliation session start time, b. retrieving the last session start time; and e. issuing a notification, logging session status and ending the reconciliation if an error is discovered; and f. continuing comparing records, issuing a report, and logging session status if no errors are detected until all records are reconciled.”

By way of contrast, Applicants claims are directed to inventories of flowable continua. This is neither taught nor suggested by the art of record, either singly or in combination.

Conclusion

Based on the above discussion, it is respectfully submitted that the pending claims describe an invention that is statutory subject matter and is properly allowable to the Applicants.

If any issues remain unresolved despite the present amendment, the Examiner is requested to telephone Applicants' Attorney at the telephone number shown below to arrange for a telephonic interview before issuing another Office Action.

Applicants would like to take this opportunity to thank the Examiner for a thorough and competent examination and for courtesies extended to Applicants' Attorney.

Respectfully Submitted

Certificate of Electronic Filing

I hereby certify that this paper (along with any paper referred to as being attached or enclosed) is being deposited with the United States Patent and Trademark Office on the date shown below by EFS Electronic Filing

Date of deposit: May 5, 2008

Person mailing paper: Richard M. Goldman

Signature: /s/ Richard M. Goldman

/s/ Richard M. Goldman

Richard M. Goldman, Reg. # 25,585
371 Elan Village Lane, Suite 209
San Jose, CA 95134
Voice: 408-324-0716
Fax: 408-324-0672
E-mail: goldmanptn@aol.com